

40-3505. Insuring of certain risks prohibited. (a) A mortgage guaranty insurance company shall not insure loans secured by a single risk in excess of ten percent (10%) of its aggregate capital, surplus and contingency reserve.

(b) No mortgage guaranty insurance company shall have more than twenty percent (20%) of its total insurance in force in any one standard metropolitan statistical area ("SMSA"), as defined by the United States department of commerce. The provisions of this subsection shall not apply to a mortgage guaranty insurance company until it has possessed a certificate of authority in this state for three (3) years.

History: L. 1977, ch. 154, § 5; Jan. 1, 1978.